

COMPACT METAL INDUSTRIES LTD
(Incorporated in Singapore)
(Company Registration No. 197500009H)

**FURTHER UPDATE ON APPLICATION TO EXIT FROM THE SGX-ST WATCH-LIST
UNDER THE FINANCIAL ENTRY CRITERIA (THE “WATCH-LIST”)**

The Company refers to its announcements dated 2 March 2018 and 7 March 2018. The Company has today submitted to SGX-ST a fresh application for its removal from the Watch-List.

Based on the audited financial statements of the Group for the financial year ended 31 December 2017, the Group has recorded a consolidated pre-tax profit of S\$3,387,000 for the said financial year. The average 6-month daily market capitalisation of the Company is in excess of S\$40 million. Therefore, the Company will be able to satisfy the requirements under Rule 1314(1) of the Listing Manual of the SGX-ST to exit from the Watch-List.

The Group's audited pre-tax profit mentioned above is lower than the Group's unaudited pre-tax profit mentioned in the 2 March 2018 announcement mainly due to amortisation of the Group's subsoil rights amounting to S\$666,000, in relation to the licenses to extract limestone, clay and siltstone and subsoil use contracts with relevant authorities in Tajikistan.

The Board will update shareholders on the outcome of its application.

BY ORDER OF THE BOARD

Zhang Zengtao
Managing Director
Compact Metal Industries Ltd

2 April 2018